

COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND CABLE

D.T.C. 11-12 March 1, 2012

Petition of Budget PrePay, Inc. for Limited Designation as an Eligible Telecommunications Carrier in Massachusetts

ORDER OF DISMISSAL WITHOUT PREJUDICE

The Massachusetts Department of Telecommunications and Cable ("Department"), for the reasons discussed below, hereby dismisses, without prejudice, the Petition of Budget PrePay, Inc. ("Budget") for Limited Designation as an Eligible Telecommunications Carrier ("ETC") in Massachusetts. Budget is permitted to re-file its petition for designation as an ETC with the Department to account for recent changes adopted by the Federal Communications Commission ("FCC") in the Lifeline and Link Up programs in *In re Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42 (Feb. 6, 2012) ("Reform Order"). To the extent that Budget intends to submit a compliance plan with the FCC in accordance with the blanket forbearance provisions of the Reform Order, Budget may only re-file its petition upon the FCC's approval of Budget's compliance plan. Should Budget decide to re-file its petition, the Department will not require an additional filing fee.

Budget filed its application for designation as an ETC for the limited purpose of providing Lifeline and Link Up services to qualified Massachusetts households on September 19, 2011. *Petition of Budget PrePay, Inc. for Limited Designation as an Eligible Telecommunications Carrier in Massachusetts*, D.T.C. 11-12 ("Petition"). On December 5,

2011, the Department suspended the procedural schedule pending the issuance of the Reform Order in the interest of regulatory efficiency. *See Hearing Officer Order Suspending Procedural Schedule*, D.T.C. 11-12 at 1 (Dec. 5, 2011).

The FCC issued the Reform Order on February 6, 2012. As a result of changes to the Lifeline and Link Up programs contained in the Reform Order, Budget will need to file an updated petition should it choose to do so. Specifically, in its Reform Order, the FCC eliminated Link Up support for ETCs on non-tribal lands. Reform Order, ¶ 245. Moreover, the FCC granted a blanket forbearance from the "own-facilities" requirement of 47 U.S.C. 214(e)(1)(A), provided carriers meet certain conditions. Reform Order, ¶ 373. Among those conditions, carriers seeking to take advantage of the FCC's forbearance must submit a compliance plan to the FCC detailing how the carrier will provide service and safeguard against fraud and abuse. *Id.*, ¶ 379. Further, the FCC ordered that "[n]o designations shall be granted for any pending or new Lifeline-only ETC applications filed with the states or the Commission after December 29, 2011, and carriers shall not receive reimbursement from the program, until the [Wireline Competition] Bureau approves their compliance plans." *Id.*, ¶ 380.

Due to the elimination of Link Up support on non-tribal lands and the changes to the "own-facilities" requirement, Budget will need to amend its Petition, in part, so as to seek only Lifeline support and to account for changes to the "own-facilities" requirement. As a result, the Department hereby dismisses Budget's Petition without prejudice. To the extent that Budget intends to file a compliance plan with the FCC, Budget may only re-file its petition with the Department once it has met the pre-conditions laid out in the Reform Order, and received the FCC's approval of its compliance plan. Accordingly, it is:

ORDERED

That the Petition of Budget PrePay, Inc. for Limited Designation as an Eligible Telecommunications Carrier in Massachusetts is **DISMISSED** without prejudice. And it is:

FURTHER ORDERED

That Budget PrePay, Inc. may re-file its Petition for Limited Designation as an Eligible Telecommunications Carrier in Massachusetts without the required filing fee and according to the conditions set forth herein.

So Ordered,

/s/ Geoffrey G. Why_____
Geoffrey G. Why

Commissioner